

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

ENERGY DIVISION

Item# 8 (Rev.1)
AGENDA ID# 21651
RESOLUTION E-5276
July 13, 2023

R E S O L U T I O N

Resolution E-5276 pertains to informational updates on Southern California Edison Company's Charge Ready 2 program.¹

PROPOSED OUTCOME:

- This Resolution approves Southern California Edison Company's (SCE) program update on scope and size, non-workable recommendations, and cost savings identified within the first twelve months of program implementation, in compliance with Decisions (D.) 20-08-045.

SAFETY CONSIDERATIONS:

- There is no direct impact on safety. SCE must comply with the Safety Requirements Checklist for Transportation Electrification programs the California Public Utilities Commission adopted in D.18-05-040.

ESTIMATED COST:

- This Resolution has no direct cost impact. The California Public Utilities Commission authorized Southern California Edison Company's Charge Ready 2 program via D. 20-08-045, and this Resolution does not modify that budget.

By Advice Letter 4883-E filed on October 27, 2022.

¹ D.20-08-045 OP 21

SUMMARY

This Resolution approves Southern California Edison Company's (SCE) twelve month Charge Ready 2 (CR2) program update on scope and size, non-workable recommendations, and cost savings.

On October 27, 2022, SCE filed AL 4883-E detailing the CR2 twelve-month program implementation update pursuant to Ordering Paragraph (OP) 21 providing at minimum providing:

- (1) how the adopted scope and size of the Charge Ready 2 infrastructure programs are appropriate given current electric vehicle demand in SCE's service territory;
- (2) what aspects of the program recommendations are not workable; and
- (3) whether there are any cost savings that SCE has identified in the first twelve months of program implementation.²

This Resolution approves SCE's CR2 twelve-month program update.

BACKGROUND

Southern California Edison Company (SCE) filed Advice Letter (AL) 4883-E on October 27, 2022, providing a program update on scope and size, non-workable recommendations, and cost savings, pursuant to OP 21 of Decision (D.) 20-08-045, which approved SCE's CR2 program. The CR2 program will deploy approximately 38,000 new Electric Vehicle (EV) chargers for passenger (light-duty) vehicles at workplaces, multi-unit dwellings (MUDs), and public destination centers. SCE will deploy mostly Level 2 (L2) chargers, with the option for Level 1 (L1), and a minimum of 205 direct current fast charger (DCFC) ports. The program is divided into several sub-programs, as described in Table 1 below.

Summary of CPUC Decision (D).20-08-045, authorizing SCE's Charge Ready 2 Program

Table 1: Summary of Charge Ready 2 Programs Approved in D.20-08-045

² Within twelve months from the date of adoption of this decision Southern California Edison Company (SCE) shall file a Tier 3 Advice.

Program	Budget	Description
Make-Ready Expansion (Level 2 and Level 1)	\$333,000,000	This is an expansion of SCE's Charge Ready Pilot program and will allow SCE to build the make-ready infrastructure to support a total of 22,000 ports ³ of mostly L2 and some L1 chargers. In most cases, site hosts will own the Electric Vehicle Service Equipment (EVSE). SCE will site these chargers at MUDs, workplaces, and public destination centers. While SCE will build the make-ready, customers participating in this program will receive a rebate for purchasing and owning the EVSE. All site hosts installing L1 or L2 charging through the Make-Ready Expansion program must participate in the Charge Ready Demand Response program. ⁴
Make-Ready Expansion (DCFC)	\$13,975,206	A subset of the Make-Ready Expansion, SCE will offer rebates to a limited number of sites to install DCFCs. At minimum, this program will support the installation of 205 DCFC ports. Site prioritization for DCFCs is addressed through a separate Tier 3 AL filing, and criteria for siting and rebates, among other programmatic details, will be determined based on proximity to customers needing charging, proximity to MUDs, and proximity to Disadvantaged Communities (DACs) and low-income customers.
Make-Ready Expansion (Own and Operate)	\$16,548,463	A subset of the Make-Ready Expansion, customers at MUDs in Disadvantaged Communities (DAC)s can choose between having SCE own and operate the EVSE and make-ready or can own the infrastructure themselves and

³ D.20-08-045, p 56: "In sum, we determine that 22,000 ports, comprised of 10,200 MUD and 12,000 workplace/destination center is a reasonable size and investment for the Make-Ready Expansion program.

⁴ Charge Ready demand response (DR) pilot examines charging behavior targeted toward workplaces, fleets, destination centers, and MUDs, approved in D.17-12-003.

		receive a rebate to cover the cost of maintenance and operation of the EVSE. This program is capped at 2,500 ports within the Make-Ready Expansion program.
New Construction Rebate	\$54,000,000	SCE will provide rebates to developers of new MUD buildings to encourage MUD developers to install operational charging stations during construction. The rebate will only cover an installation that is beyond the local and state building code requirements. The rebate program will target up to approximately 15,400 ports and will provide a rebate of up to \$3,500 per port.
Marketing, Education, and Outreach	\$15,500,000	The Charge Ready 2 ME&O program includes \$4.8 million to expand SCE's TE Advisory Services ⁵ program and \$9.7 million for program specific marketing to drive participation in the infrastructure programs.
Evaluation	\$4,320,000	This budget will go to a third-party evaluator.

⁵ D.20-08-045 The TE Advisory Services will serve business customers adopting light-, medium-, or heavy-duty EVs or those providing EV charging services to their constituents (tenants, employees, visitors, customers, or fleets). The TE Advisory Board is comprised of customers and industry stakeholders who provide input, guidance, and suggestions on the execution and ongoing improvement of the CR2 portfolio.

Definition of Make-ready

Within the CR2 Decision, SCE defines “make-ready” as the service of connecting and supplying infrastructure to support EV charging comprised of electrical infrastructure from the distribution to the stub of the EVSE. Make-ready can include equipment on the utility-side (e.g. transformer) and customer-side (e.g., electrical panel, conduit, and wiring) of the meter.⁶

Scope and Size for SCE’s Make-Ready Expansion (L2) as Authorized by D.20-08-045

The make-ready expansion for L2 ports had an approved budget of 333 million and was scaled based on SCE’s work papers, then scaled further based on addressing unit cost reduction. To scale the budget based on unit costs, the make-ready expansion for L1 and L2 ports provided SCE with a \$15,000 average per port cost, allowing for some program modifications while accounting for lessons learned and cost savings SCE cited.

Rebate Levels as Authorized by D.20-08-045

The Commission adopts the same rebate levels set in SCE's Phase 1 Pilot. SCE should set rebate levels at 100 percent for DACs, 50 percent for non-DAC MUDs, and 25 percent for all other market segments, including sites on the Fortune 1000 list, regardless of DAC status. A 100 percent rebate will ensure DAC customers can participate in the program and help offset upfront costs.

Further, SCE should be flexible to move rebate levels up or down during program implementation to sites to contribute more to installation costs if willing. Should the CR2 program find sufficient demand in the workplace segment, SCE should reduce subsidies to zero throughout the program.⁷

Workable recommendations set by D.20-08-045

The Decision aimed to balance between SCE’s proposal and proposed modifications from intervening parties. The program modifications approved in the Decision are not intended to work against SCE’s ability to implement and run a successful widespread charging program supporting the goals of SB 350.⁸

Advice Letter Requirements

⁶ D.20-08-045

⁷ D.20-08-045 Section 4.5.5 Rebate Levels

⁸ D.20-08-045 Section 4.5 Analysis of Infrastructure Programs and Recommended Modifications

Ordering Paragraph (OP) 21 of D.20-08-045 directs SCE to file a Tier 3 advice letter providing a twelve month program implementation update, and at a minimum provide:

- (1) how the adopted scope and size of the Charge Ready 2 infrastructure programs are appropriate given current electric vehicle demand in SCE's service territory;
- (2) what aspects of the program recommendations are not workable; and
- (3) whether there are any cost savings that SCE has identified in the first twelve months of program implementation.

Summary of SCE AL 4883-E

In response to OP 21 of D.20-08-03 5, SCE filed a Tier 3 AL 4883-E on October 27th, 2022. The AL informed on the following:

1. How are the adopted scope and size of the Charge Ready 2 infrastructure program appropriate given electric vehicle demand in SCE's service territory?

SCE states customer interest since July 12, 2021, has far exceeded the 22,200 light duty port target authorized by the Decision, and as of August 31, 2022, SCE has over 1,800 active applications requesting over 42,000 ports. Due to the overwhelming customer demand, SCE instituted a waitlist for new applications on September 1, 2022, to review a backlog of applications, apart from applications for the New Construction Rebate program. Customer demand for the Charge Ready 2 program continues to expand, as the Commission issued Resolution E-5227 on October 20, 2022 approving SCE's low port rebate proposal allowing smaller sites of four or less ports to participate in the make ready expansion program, such as multi-unit dwellings (MUDs), with lower number of ports.

2. What aspects of the program recommendations are not workable?

SCE states there are no requirements or program recommendations that are not "workable" per se. Instead, program requirements such as the \$15,000 per port average for the Make-Ready expansion for L1 and L2 pose a unique challenge for SCE to address.

SCE states it is successfully implementing the Charge Ready 2 program and is working on meeting program requirements and goals set by the Decision, including equity targets, budgetary constraints, and unit costs. However, SCE states due to optimizing the

program to meet program requirements, it has had a significant turnover of customers and does not foresee exceeding equity targets set by the Commission⁹.

To manage the volume of applications for the program, SCE instituted several steps to work through the application process. SCE outlines issues it encountered and how it addresses them to serve customers.

Limited Electric Vehicle Supply Equipment (EVSE) Rebate Availability

On July 12, 2021, SCE established its EVSE rebate values establishing a median price point provided by vendors on SCE's approved product lists. The median price point was higher than the average rebate amount originally authorized in Charge Ready 2 rebate budget. SCE does not view this issue as workable or unworkable and will review applications to balance customer demand, limited rebate availability, and additional requirements in the Decision. SCE considers external factors such as high inflation and supply chain constraints impacting equipment availability, including switchgear and ISO 15188-ready EVSE.

Education and vender applications

SCE has had to rework approximately a third of all applications for revisions due to incomplete information. SCE points to customers uninformed of specific programs within CR2 that better fit their needs or qualifications as site hosts. SCE provides reasons for continuing to educate customers and vendors through outreach and education efforts to reduce application revisions. SCE points to rushed applications due to California's quickly subscribed electric vehicle charging station programs and customers who often apply to the CR2 programs without understanding the program requirements or being directed by vendors for incomplete applications.

Further, as many organizations work with customers in submitting their applications, it is unclear whether these organizations educate customers on ongoing program requirements, subprograms CR2 offers, and the expected costs of maintaining operational EVSE for ten years while filing their applications. SCE states they spend considerable time conducting consultation reviews and briefing customers on program requirements. Additionally, SCE notes a significant number of applications

⁹ AL 4883-E, p 3 "The Decision also recommends, but does not require, the following:

- Exceed 50% DAC and 15% Make-Ready deployed at MUDs in DACs minimums, if feasible and cost effective.
- Meet a 40% MUD target (above the 30% requirement)"

submitted by the network of Trade Professionals are incomplete and have delayed the time process and evaluate applications.

Extended timeline

SCE states the average timeline for customer applications to decision for on-site acceptance takes an average of four to six months. SCE states several reasons for this timeline, such as SCE revising incomplete customer applications, supply chain constraints pushing back permitting, and approval process delays from necessary entities¹⁰ and decision-makers.

New Construction Rebate

The NCR program offers a \$3,500 per port rebate to new construction MUD to go beyond minimum CALGreen building code requirements. With \$54 million in funding authorized, the program can provide incentives for up to 15,429 ports. However, based on NCR applications as of October 2022, SCE estimates total number of applications to be lower than anticipated resulting in unspent budget. For now, SCE will continue to investigate potential solutions and does not request any changes to the NCR program.

Ports Requests

SCE notes that as of October 2022, it received applications for double the number of ports available through the program. However, once customer applications are refined to meet program requirements, original requests tend to change. On occasion that customer needs do not fit the program requirements, SCE works on alternative options that may allow their project to be approved, such as the customer-side Make Ready Rebate, Low Port Rebate, and service under SCE Tariff Rule 29.

Additionally, SCE states customers have expressed interest in DCFC, though, as of filing AL 4883-E, it is pending before the Commission.

3. Are there any cost savings that SCE has identified in the first twelve months of program implementation?

¹⁰ AL 4883-E defines these entities as “local governments, and multiple decision makers for MUD customers such as homeowner association (HOA) boards and property owners.”

SCE has not seen any cost savings during the first 12 months of program implementation for CR2. However, due to the high demand for Make-Ready applications, SCE repurposed its outreach efforts to focus on MUD customers and the New Construction Rebate program.

NOTICE

Notice of SCE's AL 4883-E was made by publication in the CPUC's Daily Calendar. SCE states that a copy of the AL was mailed and distributed in accordance with Section 4 of General Order 96-B.

PROTESTS

The AL was not protested.

DISCUSSION

This section of the Resolution disposes of the Charge Ready 2 twelve-month program implementation update. We find SCE's update reasonable based on the consistency with D.20-08-045. SCE did not request any changes to the program as part of this filing.

We note, however, that while SCE may direct customers to alternative sub-programs within Charge Ready 2, EV infrastructure rules had not been approved when the CR2 program was authorized. The Charge Ready 2 program accounts for customer and utility-side infrastructure costs. As such, approved projects will stay within the per port caps, and SCE will ensure approved projects stay within the authorized 436 million.

COMMENTS

Public Utilities Code section 311(g)(1) provides that this Resolution must be served on all parties and subject to at least 30 days public review. Please note that comments are due 20 days from the mailing date of this Resolution. Section 311(g)(2) provides that this 30-day review period and 20-day comment period may be reduced or waived upon the stipulation of all parties in the proceeding.

The 30-day review and 20-day comment period for the draft of this Resolution was neither waived nor reduced. Accordingly, this draft Resolution was mailed to parties for comments, and will be placed on the CPUC's agenda no earlier than 30 days from today.

No parties filed comments in response to this Resolution.

FINDINGS

1. Southern California Edison Company (SCE) filed Advice Letter (AL) 4883-E on October 27, 2022, providing a program update on scope and size, non-workable recommendations, and cost savings, pursuant to OP 21 of Decision (D.) 20-08-045, which approved SCE's Charge Ready 2 (CR2) program.
2. AL 4883-E was not protested.
3. The CR2 program will deploy approximately 38,000 new Electric Vehicle (EV) chargers for passenger (light-duty) vehicles at workplaces, multi-unit dwellings (MUDs), and public destination centers. SCE will deploy mostly Level 2 (L2) chargers, with the option for Level 1 (L1), and a minimum of 205 direct current fast charger (DCFC) ports.
4. SCE instituted a waitlist for new applications on September 1, 2022, to review a backlog of applications.
5. The Commission issued Resolution E-5227 on October 20, 2022 approving SCE's low port rebate proposal allowing smaller sites of four or less ports to participate in the make ready expansion program, such as multi-unit dwellings (MUDs), with lower number of ports.
6. SCE states there are no requirements or program recommendations that are not "workable" per se.
7. SCE finds program certain requirements such as the \$15,000 per port average for the Make-Ready expansion for L1 and L2 pose a unique challenge for SCE to address.
8. SCE has identified alternatives paths to address program requirements limitations.
9. SCE estimates total number of applications for the New Construction Rebate to be lower than anticipated as of October, 2022.
10. In instances when customer needs do not fit the program requirements, SCE works on alternative program offerings that may allow their project to be approved, such as the customer-side Make Ready Rebate, Low Port Rebate, and service under SCE Tariff Rule 29.
11. EV infrastructure rules had not been approved when the CR2 program was authorized.
12. SCE has not identified cost savings during the first 12 months of program implementation for CR2.
13. SCE does not request programmatic changes in Advice Letter 4883-E.

THEREFORE IT IS ORDERED THAT:

1. Southern California Edison Company's Advice Letter 4883-E is approved.
2. Southern California Edison Company shall maintain approved projects costs within the per port caps, and Charge Ready 2 total projects shall stay within the \$436 million budget authorized in D.20-08-045.

This Resolution is effective today.

I certify that the foregoing Resolution was duly introduced, passed, and adopted at a conference of the Public Utilities Commission of the State of California held on July 13th, 2023, the following Commissioners voting favorably thereon:

Rachel Peterson
Executive Director